

For Information
on 16 December 2008

Legislative Council Panel on Commerce and Industry

Progress update on the support measures for small and medium enterprises arising from the global financial turmoil

This paper updates Members on the support measures for small and medium enterprises (SMEs) since the last Panel meeting on 1 December 2008 and the special meeting on 10 December 2008.

SME Loan Guarantee Scheme (SGS)

(Details at LC Paper No. CB(1)77/08-09(01))

2. The enhancement measures for the SGS were implemented on 6 November 2008. As at 12 December 2008, 31 participating lending institutions (PLIs) have joined the enhanced SGS. A list of these PLIs is at the **Annex**. From 6 November to 12 December 2008, the Trade and Industry Department (TID) has received 224 loan guarantee applications from the PLIs, of which 149 have been approved¹, involving a total loan amount of \$545.9 million. The remaining 75 applications are being processed by TID².

Special Loan Guarantee Scheme (SpGS)

(Details at LC Paper No. CB(1)379/08-09(01))

3. Following approval by the Finance Committee on 12 December 2008 for the setting up of the SpGS with a commitment of \$100 billion, the scheme was launched on 15 December 2008. So far, eight PLIs have signed up for the scheme, including Bank of China (Hong Kong), Chiyu Banking Corporation, Dah Sing Bank, Hang Seng Bank, Shanghai Commercial Bank, Standard Chartered Bank (Hong Kong), the Bank of East Asia and the Hongkong and Shanghai Banking Corporation. We expect that the number of PLIs will increase in the coming weeks when more of them have completed the legal procedures.

**Commerce and Economic Development Bureau
Trade and Industry Department
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¹ All approved within 3 working days after all necessary documentations are provided.

² Among the 75 outstanding applications, 54 require provision of further information by the PLIs.

List of Participating Lending Institutions (PLIs) that have signed up to join the enhanced SME Loan Guarantee Scheme

1. AIG Finance (Hong Kong) Limited
2. Allied Banking Corporation (Hong Kong) Limited
3. Bank of China (Hong Kong) Limited
4. Bank of Communications Co., Ltd. Hong Kong Branch
5. Chiyu Banking Corporation Limited
6. Chong Hing Bank Limited
7. Citibank (Hong Kong) Ltd
8. Citibank N.A.
9. Citic Ka Wah Bank Limited
10. Dah Sing Bank, Limited
11. DBS Bank (Hong Kong) Limited
12. Delta Asia Credit Limited
13. Fubon Bank (Hong Kong) Limited
14. Fubon Credit (Hong Kong) Limited
15. Hang Seng Bank Limited
16. Inchroy Credit Corporation Limited
17. Industrial and Commercial Bank of China (Asia) Limited
18. Intesa Sanpaolo S.P.A
19. Nanyang Commercial Bank, Ltd.
20. Orient First Capital Limited
21. ORIX Asia Limited
22. Public Bank (Hong Kong) Limited
23. Public Finance Limited
24. Shanghai Commercial Bank Ltd.
25. Standard Chartered Bank (Hong Kong) Limited
26. The Bank of East Asia, Limited
27. The Hongkong and Shanghai Banking Corporation Limited
28. United Commercial Bank
29. Wing Hang Bank Limited
30. Wing Hang Finance Company Limited
31. Wing Lung Finance Ltd.